



Tourism & Events Department  
7506 E. Indian School Road  
Scottsdale, AZ 85251  
480.312.7177

**To:** Linda Dillenbeck, Chairperson  
Tourism Development Commission

**From:** Steve Geiogamah, Tourism Development Manager

**Date:** April 16, 2019

**Subject:** Wonderspaces Event Funding Request

The Wonderspaces Elsewhere new event funding worksheet is attached for the commission's consideration. The event is an experiential, participatory immersive artwork event held at the Scottsdale Fashion Square.

Wonderspaces producer is requesting to receive up to \$75,000 for the event in support of a one-year event funding agreement. Allocation of potential funds in support of the agreement can be allocated from tourism development funds established for events and event development.

#### **Analysis & Assessment**

City staff has evaluated the worksheet and support documents to identify potential benefits to the city and the local tourism industry.

The event will take place over 90 days beginning in July 2019. The event produce anticipates over 100,000 attendees. Wonderspaces Elsewhere is allocating \$150,000 toward event marketing against a total event budget of \$1.5 million.

The attached Artigue Agency report provides additional event analysis of the potential economic and media impact as well as overall value associated with the proposed event sponsorship.

#### **Funding Availability & Potential Options**

There are currently event support funds available in the tourism development budget. Pending TDC discussion, the following are options for consideration:

- 1) Recommend new event development funding for all or part of the requested amount of \$75,000.
- 2) Take no action or additional event evaluation.
- 3) Alternatively, if there are additional questions or information needed for further consideration, staff will proceed accordingly.

## **City of Scottsdale New Event Development Guidelines**

Major events motivate significant visitation to Scottsdale and contribute to the City's overall brand and image. The New Event Development Funding Program supports events that increase national, international and regional visibility for Scottsdale as a desirable tourist destination through extensive media coverage and generate incremental room nights for Scottsdale hotels and resorts.

Funding amount must be between \$30,000 and \$75,000.

**Qualifications:** All qualifications must be met in order to be eligible for funding.

- Supports at least one tourism driver: art and culture, culinary, golf, sports and recreation or western.
- Attendance must exceed 2,000.
- Non-discriminatory in nature and provides reasonable accommodations for those with special needs.
- The event or portion of the event must be held primarily within the corporate limits of the City of Scottsdale. Exceptions will be made for mega events that: 1) Provide a state or large regional benefit, and 2) Receive direct dollar support from multiple cities. Among the factors used in determining whether an Event is held primarily within the City of Scottsdale are: the extent to which the majority of attendance, participation and event activation occur in the corporate limits of Scottsdale.
- Enhances Scottsdale's status and aligns with Scottsdale's brand image.
- Funding worksheet is received a minimum of 90 days in advance
- Has obtained all necessary city and governmental permits.

**Ineligibility:** The following types of events are not eligible for funding:

- Trade shows
- Neighborhood block parties
- Corporate Meetings
- Events that are mainly fundraisers
- Events that happen in a normal course of business
- Events (or events attached to other events) that receive funding support from other bed tax programs

### **Questions, Worksheet and Approval Process**

- Worksheet:
  - Read qualifying worksheet in its entirety. Only complete if event meets qualifications.
  - Incomplete submissions will not be accepted.
  - Submit worksheet via email to City of Scottsdale Tourism & Events Department
- Approval:
  - Worksheet will be reviewed by City of Scottsdale staff for eligibility and accuracy.
  - Final recommendations are approved by the Tourism Development Commission after a brief proposal presentation of the event.
- Questions and Worksheets should be submitted to:  
City of Scottsdale Tourism & Events Department  
Attention: Holli Shannon [HShannon@Scottsdaleaz.gov](mailto:HShannon@Scottsdaleaz.gov)  
480-312-7177

**Funds Disbursed:**

The approved funding will be provided post-event, once all contract requirements have been fulfilled.

**Approved Use of Funds**

- Funding can be used for pre-event marketing and promotion. If the event marketing and promotion value ensures the city receives fair substantial equal value, 10% of funds can be allocated toward event production costs.
- A minimum of 50% of the funds awarded must be a cash expenditure on marketing. The remaining 50% of funds awarded can be counted as earned, promotional value. For example, if an event is awarded \$40,000, at least \$20,000 must be a cash expenditure on paid marketing. The remaining \$20,000 can be counted towards earned media that requires no cash expenditure.
- The funds provided cannot be more than 30% of your entire event budget.
- The funds cannot be used for public relations agency fees or talent appearing at the event.

**Responsibility of Event Producer:**

- Comply with all City of Scottsdale permit, insurance and approval requirements and processes for special events
- Review, sign and adhere to all requirements as outlined in the Event Agreement.

**Final Notes:** The City of Scottsdale and the Scottsdale tourism industry are eager to support quality events that contribute to our strong tourism image, have growth potential and provide measurable return to the City of Scottsdale and the industry:

- This communication is an invitation to submit a qualifying worksheet and should not be interpreted as approval of City funding for the event.
- Actual funding amount and specific uses must be specifically authorized by the City.
- Worksheet is not a legally binding agreement.

## NEW EVENT DEVELOPMENT WORKSHEET

### APPLICANT INFORMATION

**Worksheet Date:**

**Organization Name:**

**Legal Description (LLC, etc.)**

**Business Address:**

**City:**

**State:**

**Zip Code:**

**Event Contact:**

**Phone:**

**Cell Phone:**

**Email:**

### EVENT INFORMATION

**Event Name:**

**Event Website:**

**Event Date(s):**

**Event Time(s):**

**Event Location:**

**City:**

**State:**

**Zip Code:**

**Admission Cost:**

**Projected Attendance:**

**Years in Scottsdale:**

**Expense Budget** (includes marketing):

**Estimated Revenue:**

**Marketing Budget:**

**Requested Funding Amount:**

**Detailed description of event:**

## NEW EVENT DEVELOPMENT WORKSHEET

Provide a detailed, itemized list of sponsorship benefits the City of Scottsdale will receive as part of the sponsorship package. Please include advertising channels, advertising cost, impression values, and distribution methods:

Submit your current marketing plan as it is without City Funding. Please include location, timing, impressions, cost, etc. \*Attach if more space is needed.

If approved for funding, please explain how event funding will enhance your event's marketing and PR efforts:

## NEW EVENT DEVELOPMENT WORKSHEET

**Describe how you will provide qualitative and quantitative information regarding event attendance levels:**

**Provide estimated economic impact results of the event and the projected impact on Scottsdale:**

**Describe how the event will stimulate the fundamental decision to travel and visit Scottsdale, generate room nights as well as enhance the length of stay:**

## NEW EVENT DEVELOPMENT WORKSHEET

### NEXT STEPS

This proposal process has been developed to provide necessary information for the City of Scottsdale, Tourism Development Commission to evaluate funding proposal requests and to determine appropriate funding for qualified events. The sponsorship review process can take up to 60 days to complete.

1. Staff reviews event qualification worksheet to determine event's eligibility
2. If event qualifies for funding, producer will present at the Tourism Development Commission (TDC) meeting. TDC has the potential to require more information or vote on funding amount they are recommending.
3. Event presentation to the TDC is required. The presentation should take no more than 5 minutes and outline the information provided in this worksheet.
4. TDC submits funding recommendation to City Council for approval (Following TDC recommendation, allow four weeks for council presentation).
5. Formal action by City Council

### SUBMISSION INFO

**I authorize the verification of the information provided on this form.**

**Signature of applicant:**

**Date:**

**Name**

\*If more room is needed, attachments are permissible.

# WONDERSPACES

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## SPONSORSHIP OPPORTUNITY

Wonderspaces Arizona  
Opening April 2019





2019

SPONSORSHIP OPPORTUNITY

# WONDERSPACES ARIZONA

Opening April 2019



# LOCATED IN SCOTTSDALE FASHION SQUARE

## SCOTTSDALE FASHION SQUARE

- 10.5 Million shoppers annually
- Average household income of \$116,000
- Centrally located in downtown Scottsdale
- Luxury and exclusive brand alignments

## VENUE

- 16,000 square feet
- Within the former Harkins Theatres spaces
- 18-foot ceilings
- Acoustic isolation

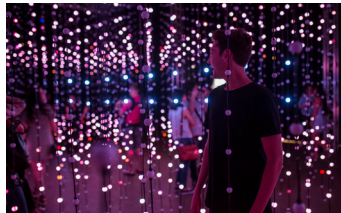


Scottsdale Fashion Square exterior view



# PRESENTING TRAVELING ART SHOWS

FEATURING INTERACTIVE, IMMERSIVE, AND PARTICIPATORY ART



**SUBMERGENCE**  
Squidsoup



**BODY PAINT**  
Memo Akten



**A RELIGIOUS EXPERIENCE**  
Adam Belt

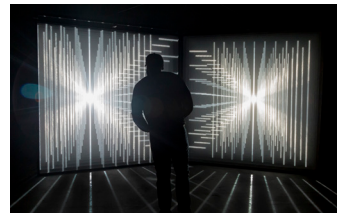
- New show every 4 months
- 13-17 art installations
- 90-minute experience
- Timed entry to eliminate crowding



**NOT MYSELF TODAY**  
Canadian Mental Health Association

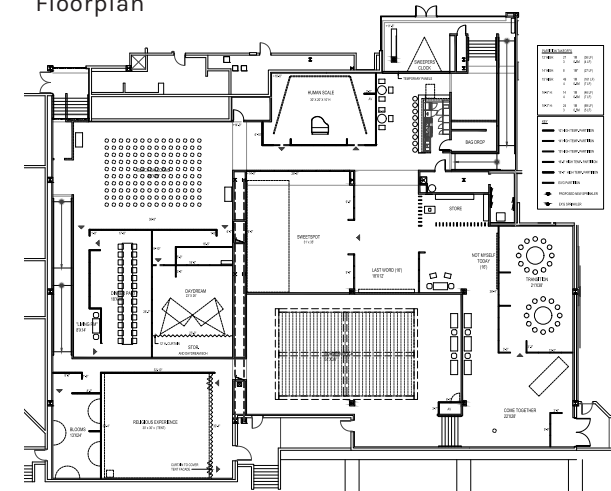


**BLACK BALLOONS**  
Tadاو Cern



**DAYDREAM V.2**  
Nonotak Studio

Floorplan



# REACH

	SAN DIEGO (2018)	ARIZONA (2019)*
DAYS	78	94
VISITORSHIP	112,048 visitors	120,000
WEBSITE IMPRESSIONS	1,250,000	1,350,000
AGE	18% - under 18 62% - 18-34 years old 15% - 35-44 years old 5% - 45+ years old	Same
GENDER	60% Female 40% Male	Same
LOCAL	76% from within county 24% from outside County	Same

\*Anticipated per show



# SPONSORSHIP

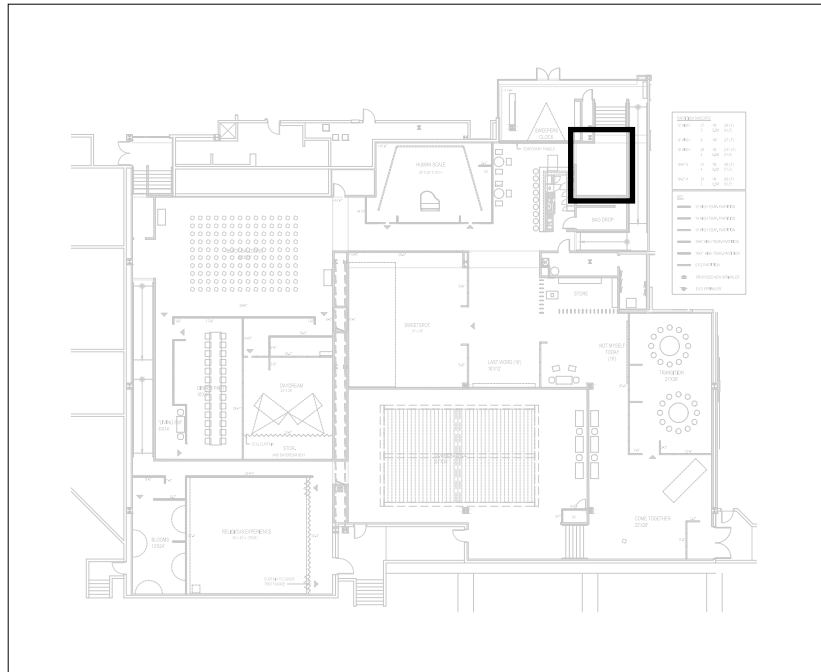
## BENEFITS INCLUDE

- Company logo on the partner wall positioned at entryway
- Logo on the website's show page
- Tickets to the preview night
- Tickets to the show
- Corporate events
- Additional sponsorship activation opportunities available after initial consult



Daydream V.2 by Nonotak Studio. Photo credit: Victor Ren

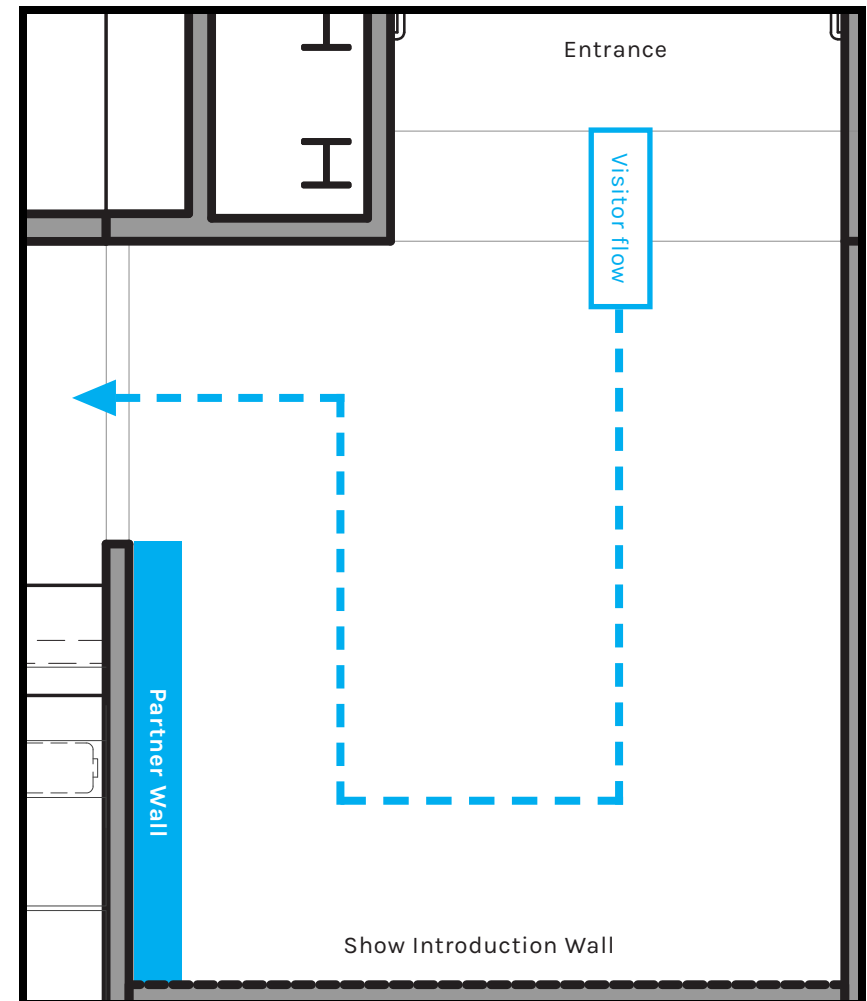
# PARTNER WALL LOCATION



Floorplan

The Show Introduction Wall orients the visitors to the theme of the Point of View show through visuals and text.

The Partner Wall is positioned adjacent to the Show Introduction Wall and showcases your logo as one of the generous sponsors of the Point of View Show in Scottsdale.



# CONTACT

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Customized sponsorship plans can  
be provided after initial consultation.

**MANDY MCGEE**

**PR Manager**

[info@rosemoserallynpr.com](mailto:info@rosemoserallynpr.com)

Rose + Moser + Allyn Public Relations Firm

## **WONDERSPACES**

### **Analysis of the Funding Request; Economic Impact on City of Scottsdale**

#### **Report Objective**

Wonderspaces is a new facility that places and exhibits various traveling art shows. The 16,000 sq. ft. space (museum) is within Scottsdale Fashion Square and is situated where Harkins Theaters were previously located. They present their facility and the customer experience as “interactive, experiential and immersive artworks.”

This report is a top-line economic analysis of the Wonderspaces facility (events) is and its impact on the City of Scottsdale, relative to their ability to generate awareness, heightened tourism and ultimately, incremental tax dollars for the city. The observations in this report are based only on information that has been provided by the event organizers and cannot necessarily be substantiated or cross-referenced.

#### **Event Overview**

Wonderspaces is seeking funding for the first time and is requesting \$75,000 for what is their second exhibit entitled “*Elsewhere*,” a collection of 14 different artworks.

This exhibit/event will begin in July and run for three months.

Wonderspaces indicates that 112,000 people attended the very same exhibit in San Diego and they are estimating 100,000 attendees for the Scottsdale showing. Attendees skew younger with 80% 34 years and under; just 5% are 45+. They project that 24% of the attendees are from “out of county” so if attendance projects hold up, this exhibit will attract 24,000 visitors.

#### **Funding Criteria and Analysis**

- Among the Tourism and Event Department’s criteria for making funding recommendations is an event’s ability to generate room nights. There is no indication of specific room nights that may be generated.
- Another important criterion for funding is an event’s ability to promote Scottsdale’s “attractiveness” as a destination to multi-generational, high-value visitors. As there has only been one prior art exhibit, there are no statistics to make any assumptions here.



**Funding Request**  
**2-2-2**

- Next is the importance of an event to achieve and sustain growth as measured by attendance and corresponding room nights. Again, this facility is too new to measure its ability to comply with this criterion.
- Addressing the City's prescribed "Tourism Drivers," Wonderspaces fulfills one(1) of the five categories – Arts & Culture.
- Regarding the stimulation of Scottsdale tourism, both in visitation for the actual event and reoccurring, there is no data. As previously mentioned, prior such exhibits tend to draw 24% of the overall attendance.
- Regarding the marketing and promotion of the event, a marketing budget of \$150,000 is being allocated and that will be spent almost entirely on web banner ads and social media ads. \$10,000 will go to traditional print ads.
- Regarding visitation, primary feeder markets have not been identified.

**Additional Questions**

1. What is the cost of admission to the exhibit as it may better define the demographics of the visitors, and where they might stay or dine?
1. As the San Diego exhibit was cross-referenced for attendance projections, how far did visitors typically travel to attend that show?
2. Of the marketing dollars that will be spent to promote this event, how were the media outlets chosen? And, will a summary media report be supplied to the city?
3. Does the Expo attract visiting media, and if so, from which media outlets?
4. Are there any charitable giving implications and if so, who are the Scottsdale beneficiaries?



**Funding Request**  
**3-3-3**

**City Entitlements**

Should the City of Scottsdale choose to sponsor the *Elsewhere* exhibit, their logo, or some such messaging, will be displayed on the "Partner Wall" within the facility and also on the Wonderspaces' website. A certain amount of complimentary tickets will also be provided.

**Assumptions and Analysis**

- As the *Elsewhere* exhibit runs July, August and September, the warmer off-season months could impact visitation.
- As the attendees are overwhelmingly younger, what might their choices for lodging be, area hotels or AirBnB-type options?
- It is difficult to know if this is a "destination attraction" that truly prompts out-of-town travel as it is too new and therefore provides no history. The application indicates that there is a "greater probability of new tourism."
- General market exposure for the city will be limited as 90% of the advertising is confined to online placements and may not be seen by a broader audience.

**Summary**

Wonderspaces is a very unique new art "museum" that will no doubt generate interest and excitement for art lovers and a general audience alike. It will definitely add to Scottsdale's already-fine reputation as a sophisticated cultural market.

What remains to be understood is how much of an attraction Wonderspaces will be for stimulating tourism and therefore, economic development.

Finally, we need to point out that one of the city's stated "Ineligibility" clauses may come into play as there is to be no funding for "events that happen in a normal course of business."

- **Artigue Advisors**